

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6728

BILL NUMBER: SB 296

NOTE PREPARED: Jan 31, 2012

BILL AMENDED: Jan 26, 2012

SUBJECT: Certified Scholarship Program Eligibility.

FIRST AUTHOR: Sen. Leising

FIRST SPONSOR: Rep. Behning

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) This bill provides that an individual enrolling in grade 8 is eligible for a scholarship from a scholarship program that is certified by the Department of Education. It changes the definition of the term "eligible individual" to make certain students who received a scholarship from a scholarship granting organization in grade 8 ineligible for a Choice Scholarship.

Effective Date: July 1, 2012.

Explanation of State Expenditures: (Revised) The bill could increase the number of students that are eligible to receive a scholarship from a scholarship-granting organization (SGO). This bill would allow an eighth grade student in private school to apply for an SGO scholarship, whereas prior to this, only public school students could apply for these scholarships. The private school eighth grade student that receives a SGO scholarship for high school would not be eligible for the state Choice Scholarship in latter years.

These scholarships are privately funded and will not have a fiscal impact on the state.

Background Information: As of July 28, 2011, there were four approved school scholarship programs in the state. Under current statute, besides the residency and income requirements, students eligible for an SGO scholarship must meet at least one of the following conditions:

1. Individual is enrolling in kindergarten.
2. Individual was enrolled in a public school during the preceding school year.
3. Individual received an SGO scholarship in the previous year.

4. Individual received a school scholarship for the previous year.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: Department of Education databases.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.